

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6595
BILL NUMBER: SB 161

NOTE PREPARED: Dec 14, 2006
BILL AMENDED:

SUBJECT: Annexation.

FIRST AUTHOR: Sen. Gard
FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: The bill reduces the number of landowner signatures required for a remonstrance against an annexation: (1) from at least 65% to at least 51% of the owners of land in the annexed territory; or (2) from the owners of more than 75% to the owners of at least 51% of assessed valuation of the land in the annexed territory. The bill removes a provision that requires 75% of the owners of land in annexed territory to sign a remonstrance if the territory consists of not more than 100 parcels and 80% of the boundary of the territory proposed to be annexed is contiguous to the municipality.

Effective Date: July 1, 2007.

Explanation of State Expenditures:

Explanation of State Revenues: The bill could increase the number of written remonstrances filed with circuit or superior courts. If additional remonstrances are filed and court fees are collected, revenue to the state General Fund may increase. A civil filing fee of \$100 would be assessed when a civil case is filed, 70% of which would be deposited in the state General Fund if the case is filed in a court of record or 55% if the case is filed in a city or town court. In addition, some or all of the judicial salaries fee (\$15), the public defense administration fee (\$3), the court administration fee (\$2), and the judicial insurance adjustment fee (\$1) are deposited into the state General Fund.

Explanation of Local Expenditures:

Explanation of Local Revenues: If additional remonstrances are filed with either a circuit or superior court, local governments would receive revenue from the following sources. The county general fund would receive

27% of the \$100 filing fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. Additional fees may be collected at the discretion of the judge and depending upon the particular type of case.

State Agencies Affected:

Local Agencies Affected: Municipalities; Circuit and superior courts.

Information Sources:

Fiscal Analyst: Chris Baker, 317-232-9851.